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November 10, 2004

Honorable James Walsh
Chairman
Subcommittee on VA, HUD and
Independent Agencies
Committee on Appropriations
H-143, The Capitol
Washington, DC 20515

Honorable Alan B. Mollohan
Ranking Member
Subcommittee on VA, HUD and
Independent Agencies
Committee on Appropriations
H-143, The Capitol
Washington, DC 20515

Dear Chairman Walsh and Ranking Member Mollohan:

Previously, I had signed a letter to you expressing my support for an increased appropriation for the Office of Federal Housing Enterprise Oversight (OFHEO). I have since had the opportunity to read the HUD Inspector General's report on OFHEO's conduct of its investigation of Fannie Mae. While that report is not yet public, I am hopeful that it soon will be as it raises very serious issues which must be thoroughly discussed and addressed. Until that occurs, I believe approval of additional funding for the agency is inappropriate.

Once the report is made public and the serious issues it raises have been addressed, there would be time to consider a Supplemental increasing OFHEO's funding if that were then deemed appropriate.


BARNEY FRANK